

Spatial Planning, Environment and Housing Growth Team
Communities and Environment
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SENT BY EMAIL
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10/12/2017

Dear Sir / Madam,

GATESHEAD LOCAL PLAN: MAKING SPACES FOR GROWING PLACES (Site Allocations and Development Management Policies)

Thank you for consulting with the Home Builders Federation on the Gateshead Local Plan: Making Spaces for Growing Places (Reg 18) consultation.

The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.

Please find below our comments on a selection of policies within the document, that are felt to be of relevance to our members.

MSGP10 Housing Sites Allocation

This policy states that 123.59ha (gross) of housing land be provided over the plan period.

The Core Strategy and Urban Core Plan looks to make provision for approximately 30,000 new homes over the period 2010 to 2030. The broad distribution of new homes looks for a net provision of 8,500 homes in Gateshead, with 480 homes in the period 2010-15; 2,420 in the period 2015-2020, 4,020 in the period 2020-25 and 1,580 homes in the period 2025-2030.

Completions within the plan period are below those set in the Core Strategy, with 1,221 dwellings completed in the seven year period of 2010 to 2017. This is below the 1,448 dwellings that should have been completed based on the policies in the Core Strategy. To date the Core Strategy has failed to deliver against its

requirements. Therefore, a key area of concern for the HBF is that of housing delivery. It is clear that there is a need to ensure that appropriate sites for housing delivery are identified, and that policies within the plan do not delay or prevent this delivery.

	Core Strategy	Net Completions	Over / Under Supply
2010/11	96	89	-7
2011/12	96	168	72
2012/13	96	281	185
2013/14	96	90	-6
2014/15	96	73	-23
2015/16	484	251	-233
2016/17	484	269	-215
Total	1,448	1,221	-227

The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period.

The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.

It is important that the plan should seek not only to provide sufficient development opportunities to meet the housing requirement but also to provide a buffer over and above this requirement. The reasons for the inclusion of such a buffer are two-fold. Firstly, the NPPF is clear that plans should be positively prepared, aspirational and significantly boost housing supply. In this regard the housing requirements set within the plan should be viewed as a minimum requirement, this interpretation is consistent with numerous inspectors' decisions following local plan examination. Therefore, if the plan is to achieve its housing requirement as a minimum, it stands to reason that additional sites are required to enable the plan requirements to be surpassed. Secondly, to provide flexibility. A buffer of sites will therefore provide greater opportunities for the plan to deliver its housing requirement. The HBF recommend a 20% buffer of sites be included within the plan.

Housing Standards

In 2013, the Housing Standards Review (the Review) was launched which sought to simplify and rationalise the raft of housing standards which local authorities applied to development. At the heart of the Review was a desire to reduce developer costs and create attractive conditions to significantly boost housing delivery. The industry was heavily involved in the Review.

The outcome of the Review was the establishment via Building Regulations of mandatory baseline standards which apply nationwide to all developments. The Government also created a series of enhanced Optional Standards relating to access and water, along with a new optional national standard on internal space. All of these

are implemented through planning but access and water are optional Building Regulations and Space Standards are planning only.

The Government have confirmed that the enhanced standards were intended to be optional and that they would only be needed and viable in certain local circumstances. Otherwise, they would have been made mandatory in Building Regulations across the country. The standards could only be introduced via a new Local Plan and to do so, clear evidence of need had to be demonstrated and impact upon viability had to be considered.

MSGP12 Standards for New Housing

This policy requires housing developments of 15 or more dwellings to provide 25% of dwellings constructed to the general adaptable and accessible standard (M4(2)) or equivalent successor standards. Justification text in paragraph 5.5 does suggest that the requirement of this policy would be subject to viability.

PPG (ID 56-07) identifies the type of evidence required to introduce such a policy, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability. PPG is also clear that local authorities can only adopt a policy to provide enhanced accessibility or adaptability by reference to requirement M4(2) and / or M4(3) of the optional requirements in the Building Regulations and should not impose any additional requirements. The HBF have not been able to find any evidence on the Council's website to support this policy, and it is clear that this policy should not be included within a plan without the evidence that it is needed. Both the 15 dwelling threshold and the 25% proportion identified within the policy appear arbitrary, and without evidence to support them unjustified. The MSGP Plan and Site Viability Testing Report sets out that the 25% accessible and adaptable homes standard is only actually viable on *'most schemes in the High, High-Mid and some schemes in the Mid-zone'* elsewhere the standard is not viable. It is clear that the Council's own evidence is not supportive of this policy, and that it indicates it could lead to the non-delivery of homes.

It is considered that the Council should take into consideration any implications the requirements of this policy may have on the viability of a development. Paragraph 173 of the NPPF established the importance of viability testing to ensure that the sites and scale of development identified in the Plan should not be subject to such scale of obligations and policy burden that their ability to be developed might be threatened. It is considered that given the ongoing issues identified above in relation to delivery of the Core Strategy requirements, that the Council need to give real consideration to how the requirements of this policy will impact on delivery of homes in the authority.

The HBF does not consider that this policy is required, it is considered that local needs can be met without the introduction of the optional housing standards. However, if the Council wish to pursue this policy the HBF recommends the Council ensure that an appropriate evidence base is available to support this policy in line with that set out in the PPG and that an appropriate viability clause is incorporated within the policy.

MSGP13 Housing Space Standards

This policy looks for new homes to be built in accordance with the Nationally Described Space Standards (NDSS), or equivalent successor standards, as a minimum.

Again PPG (ID 56-020) identifies the type of evidence required to introduce such a policy. It states that 'where a need for internal space standards is identified, local planning authorities should provide justification for requiring internal space policies. Local planning authorities should take account of the following areas:

- **Need** – evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.
- **Viability** – the impact of adopting the space standard should be considered as part of a plan's viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.
- **Timing** – there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into future land acquisitions'.

The Council will need robust justifiable evidence to introduce any of the optional housing standards, based on the criteria set out above. The HBF has not been able to find any evidence on the Council's website to support this policy, and it is clear that this policy should not be included within a plan without the evidence that it is needed, that it is viable and without an appropriate transitional period. The January 2016 document 'An Analysis of Space Standards in Gateshead', only provides a very limited insight into the size of dwellings in Gateshead. Whilst the document suggests there is strong enough evidence to justify policies, it does not actually evidence any need for standards to be introduced. It includes a very limited review of planning applications and a limited number of case studies, whilst the survey results highlight that the size of bedrooms and storage availability is not key to the decision of residents in buying a property. The survey analysis goes on to ask about whether people would like a larger property, however, this is not linked to the current size of their property and only highlights aspiration rather than need.

The HBF consider that standards can, in some instances, have a negative impact upon viability, increase affordability issues and reduce customer choice.

As above, it is considered that the Council should take into consideration any implications the requirements of this policy may have on the viability of a development. Paragraph 173 of the NPPF established the importance of viability testing to ensure that the sites and scale of development identified in the Plan should not be subject to such scale of obligations and policy burden that their ability to be developed might be threatened. It is considered that given the ongoing issues identified above in relation to delivery of the Core Strategy requirements, that the Council need to give real consideration to how the requirements of this policy will impact on delivery of homes in the authority.

In terms of choice some developers will provide entry level two, three and four bedroom properties which may not meet the optional nationally described space standards but are required to ensure that those on lower incomes can afford a property which has their required number of bedrooms. The industry knows its customers and what they want, our members would not sell homes below the enhanced standard size if they did not appeal to the market.

The HBF does not consider that this policy is required, it is considered that local needs can be met without the introduction of the optional housing standards. However, if the Council decides to continue with this policy the HBF recommends the Council ensure that the appropriate evidence is available to support this policy in line with that set out in the PPG, and that consideration is given to the viability impacts of the requirements of this policy

MSGP14 Housing density

This policy seeks for new housing development to have a net density of at least 20 dwellings per hectare, unless there is evidence of a shortage of lower-density housing to meet demand or there are over-riding townscape, heritage or amenity considerations indicating a lower density.

Whilst the NPPF, paragraph 47, does indicate local authorities can set out their own approach to housing density this should be based upon local circumstances and not harm the overall objective of boosting significantly housing supply. The HBF recommends the Council ensure that the appropriate evidence is available to support this policy.

The flexibility provided by this policy in relation to certain exceptions is noted, this will allow developers to react to some local site characteristics and demand. However, further amendments could be made to create greater flexibility to allow developers to take account of the evidence in relation to local site characteristics, market aspirations and viability.

The Council will also need to consider its approach to density in relation to other policies in the plan. Policies such as open space provision, space standards and parking provision will all impact upon the density which can be delivered upon site.

MSGP25 Design Quality

The HBF is generally supportive of the well designed high-quality developments, however the inclusion of 'living roofs and walls' within the criteria of part one of this policy is a concern. It is considered that this does not sit comfortably with the other criteria as set out, therefore we would recommend that it is either removed from the list or that it is clearly caveated with 'where appropriate'.

Future Engagement

I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.

The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Harding', with a stylized flourish at the end.

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